

retired Educator

SUMMER 2000

SEMIANNUAL NEWSLETTER FOR CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM BENEFIT RECIPIENTS

Board Approves Medicare Coverage

STATEWIDE HEALTH COVERAGE

FOR retired CalSTRS members took a giant step forward at the May Teachers' Retirement Board meeting. The board approved a \$1.2 billion Medicare proposal that was then forwarded to the Legislature and Governor Davis for consideration.

The proposal would require CalSTRS to pay Medicare Part A (hospitalization) premiums for the 11,000 currently retired members age 65 or older and include penalty charges for late enrollment of Medicare Part A and B who must otherwise pay a premium for coverage. However, all retired members will have to pay the standard monthly Medicare Part B (physician services) premium, currently \$45.50.

The proposal also includes potential Medicare Part A funding for future retired members who would otherwise have to pay the premium on their own. The eligibility requirements for future retired members will be specified in the proposed legislation.

The board also approved a legislative proposal to fund these and future health care benefits by establishing a separate fund. The fund would receive a small portion of the 8.25 percent of payroll employers currently contribute to the Defined Benefit Program. No DB Program benefits would be impaired by this redirection of funds. CalSTRS can use available excess earnings to replace the loss of future retirement plan income.

If the benefit and funding bills are passed by the Legislature, Governor Davis will have until September 30 to sign or veto them.

If approved, their effective date will be January 1, 2001.

Due to federal regulations, however, initial enrollments for medicare will be effective July 1, 2001. By December, CalSTRS will contact directly all retired members affected by the legislation.

You can find updated health care benefits information on the CalSTRS Web site at www.calstrs.ca.gov.

Physics Teacher Learns Lessons in Fiji

LOOKING FOR A CHANGE OF SCENE? Wondering how to fill your retirement years? The Peace Corps can answer those questions by asking in return "How far are you willing to go to make a difference?"

For Raleigh Ellisen, it was about 6,000 miles—to Fiji. After a long career of teaching physics, mainly in Lafayette, California, Raleigh and Jean, his wife, accepted the Peace Corps challenge to spend two years in Fiji. They went to help fill an educational void in a country where about two-thirds of the teachers have no formal training.

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From the desk of

Marty Mathiesen

THIS FALL IS LOOKING LIKE IT'LL BE
ANOTHER SEASON FOR GOOD NEWS.

IT MAY BE SUMMER, BUT I'M ALREADY LOOKING FORWARD TO FALL. Fall is important when it comes to legislation, which is always necessary to improve benefits. For instance, it was last fall when Governor Davis signed into law the minimum annual allowance (SB 713) that provided relief to our oldest retired members.

This fall is looking like it'll be another season for good news. Actually, it is shaping up that the good news will come on two consecutive days, September 30 and October 1.

State Deadline Coming

September 30 is Governor Davis' deadline to sign or veto bills passed this legislative year. A wide range of legislation affecting CalSTRS is working its way through the Legislature at this time. You can read brief summaries of each on page 4.

Representatives of the teachers' organizations have again formed the Retirement Coalition, which is unified in shepherding a benefit

package through the Legislature. At this time, it appears likely at least some of the bills will make it to the governor's desk for his consideration.

The part of the benefit package I'm most interested in seeing signed is legislation that would increase the purchasing power protection to 80 percent from the current 75 percent. This would again help the most needy of our retired members, the oldest ones.

Additional Benefits

Other provisions now in the benefit package would provide a benefit increase to members and beneficiaries of 1 percent to 6 percent, with the specific increase depending on the member's retirement date and extend the minimum guaranteed allowance enacted last year to certain other 1999 retired members. Another part of the package would provide Medicare Part A benefits to members who do not have premium-free coverage.

You can count on hearing from CalSTRS about those increases that become law and apply to you. When the Legislature returns in August, negotiations will begin again on the benefit package. As the political process plays out, you can view the latest version of the bills on the Internet by clicking on the External Affairs button on the CalSTRS home page, www.calstrs.ca.gov.

On October 1, CalSTRS is slated to get another \$36 million installment of the Elk Hills compensation. This is the second payment of the approximately \$320 million that is due. These funds go into the Supplemental Benefit Maintenance Account to support the purchasing power protection program.

As it stands now, CalSTRS is on track to get the third \$36 million installment on October 1, 2001. This despite a \$300 million overall cut from the current spending level in the House Interior Appropriations measure.

Post-Retirement Earnings Limitation Updated to \$19,650

New Legislation Adds Exemptions

EVEN THOUGH YOU RETIRED FROM CALSTRS, you may have considered working after retirement. If you have thought about working in public education, there are some restrictions you should know about. The law limits the amount of compensation you can earn for performing creditable service in the California public school system after retirement.

Types of Employment

The earnings limitation applies regardless of whether you perform creditable service as:

- an employee of a public school district
- an employee of a third party, or
- an independent contractor or consultant

Earnings Limitation

From July 1, 2000, to June 30, 2001, you can earn up to \$19,650 from public school employment before your CalSTRS allowance is affected. (Each July 1, the earnings limitation is increased.) If you earn more than the earnings limitation, your monthly retirement allowance will be reduced dollar-for-dollar by the amount of your creditable earnings in excess of the limit, until

the amount withheld equals the excess earnings.

If you earn more than the total amount of your monthly CalSTRS allowance, your entire allowance will be withheld. This could result in the cancellation of any deductions taken from your allowance, such as health insurance premiums or association dues.

Exemptions

Certain employment situations may qualify you for an exemption from the earnings limitation. You may be exempt from the limitation for up to one-half the full-time equivalent for employment in an emergency situation to fill a vacant administrative position that was unanticipated and occurred due to circumstances beyond the control of your employer.

If you retired on or before July 1, 1998, you may be exempt if hired by a school district to:

- provide direct instruction to students in newly created grades K-3 until a permanent teacher can be recruited

- temporarily fill a position in grades 4-12 created by a teacher transferring to a K-3 classroom within the same district to meet the objective of the class-size reduction program
- teach one or both Grade 9 courses included in the program that count toward the completion of graduation requirements in English, and either mathematics, science or social studies

Documentation must be submitted to CalSTRS by your employer for your earnings to be exempt from the limitation.

New Exemptions and Retirement Date

Added by legislation enacted in 2000, members who retired before January 1, 2000, may be exempt from the limitation if employed to provide direct classroom instruction to pupils in K-12, inclusive. The exemption also applies to positions that provide support to new teachers; student teachers; and students in the Pre-internship Teaching Program, an alternative certification program, or a School Paraprofessional Teaching Program.

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State Legislation Summary

LEGISLATION PASSED BY THE

LEGISLATURE when it returns to session in August will be sent to Governor Gray Davis for his consideration. He has until September 30 to sign or veto the bills.

One legislative proposal that affects retired members has already been approved and signed into law. Chapter 74, Statutes of 2000 (SB 1666, Ortiz) exempts CalSTRS member from the post-retirement earnings limitation if the member retired on or before January 1, 2000 and is employed to provide direct classroom instructions to pupils in K-12, inclusive. For more details, see page 3.

In addition, the Retirement Coalition, comprised of representatives of various active and retired member associations, continues to work for passage of a package of legislation that, if enacted, would increase benefits for active or retired members. Two parts of the proposal are not yet amended into bill form, but will be in August. These proposals would expand the minimum guaranteed allowance passed in 1999 (SB 713) to some of the retired teachers omitted from the earlier legislation and increase purchasing power protection from 75 percent to 80 percent. Other bills in the package of interest to current benefit recipients are:

AB 429 (Correa)

Increases allowance paid to CalSTRS benefit recipients from 1 to 6 percent, based on the year in which the benefit was first received, starting in 1997 at 1 percent to 6 percent before 1975.

AB 1733 (Wildman)

Exempts from post-retirement earnings limit CalSTRS members who have performed no creditable service for one year after retirement.

SB 1435 (Johnson)

Pays the monthly premium for Medicare Part A for members who are at least 65 years of age, enrolled in Medicare Part B, and not eligible for Medicare Part A without payment of a premium.

SB 1692 (Ortiz)

Provides enhanced benefits to teachers who retired prior to 1999, and who return to teaching for a specified period of time.

In addition to the significant benefit-related bills above, the following bills may also interest CalSTRS retired members:

AB 107 (Knox)

Prohibits new or additional investments by the CalSTRS and CalPERS on and after January 1, 2001, in

tobacco companies and requires a divestment of those existing investments by July 1, 2002. (The Teachers' Retirement Board decided June 7 to voluntarily divest CalSTRS' stocks in tobacco manufacturers.)

AB 820 (Assembly PER&SS)

Allows retired members who are receiving an unmodified allowance to elect to name a new spouse as a beneficiary.

Track the progress of all the CalSTRS-related legislation on the CalSTRS Web site at www.calstrs.ca.gov under the External Affairs area.

POST-RETIREMENT CONT. FROM PAGE 3

This exemption applies to the 2000–01 school year and will remain in effect until July 1, 2005.

Employment Outside Public Schools

You may accept employment outside the California public school system in any capacity and continue to receive your full CalSTRS service retirement allowance.

For More Information

For more information, call CalSTRS and select the Public Service Office to talk to a technician. Or you may select the automated Teletalk system and listen to #372, Earnings Limitation After Retirement. See back page for telephone numbers.



E-Commerce on Horizon

Anyone who watches television, reads magazines and newspapers or receives advertisements through the email cannot miss the overwhelming references to the Internet. The fixture of the Internet in society has resulted in many businesses and governmental agencies exploring ways to leverage its potential for providing information and conducting business. Through such e-commerce, a person can purchase items such as clothing, gardening supplies, books, music CD's and airline tickets, or conduct personal business relating to banking, investments, insurance and more. The growth of consumer e-commerce is projected to reach \$100 billion in retail sales during the next three years and business-to-business e-commerce is projected to top \$1 trillion during this same period.

E-Commerce at CalSTRS

CalSTRS management has recognized the potential of the Internet and associated e-commerce. Very early in the "Internet Age," CalSTRS appreciated the service delivery possibilities of this technology to better serve members. Currently, CalSTRS has a content-rich and user-friendly site at

www.calstrs.ca.gov. As good as the site may be, it remains an information-providing only service. To further gain from the value of the Internet, CalSTRS must embrace e-commerce.

CalSTRS is in the middle of a technology leap. Recently, a wide-area network was developed and installed at CalSTRS. Later this year, a new corporate information system to

track and maintain all member accounts will be activated. Following that, a corporate imaging and workflow system will be acquired. Finally, a type of technology called a data warehouse may be established. Once this new suite of technology is in place, CalSTRS will be positioned to begin offering members e-commerce service.

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New Technology Will Improve Service

You know CalSTRS is managing your retirement system records, but have you ever wondered how hundreds of thousands of member accounts can possibly be managed? Behind more than 600,000 member accounts stands a computer mainframe online information system that allows CalSTRS to manage records, calculate benefits and provide payments to members.

Today, technology changes nearly as fast as it is created. Keeping up with advances in technology is an ever-present challenge for any organization, including CalSTRS.

Currently, CalSTRS staff is involved in upgrading and improving its online information system to be able to provide the most effective and efficient service to California teachers. START, State Teachers' Automation Redesign Team, was established to design and implement a new information system. The new state-of-the-art system is designed to be reliable, flexible and modifiable, with features that can interface with future Web and e-commerce-based business applications.

The START system will be implemented at CalSTRS later this year. It is critical to the CalSTRS business plan and is based on a commitment to develop the best online system possible. START will be a major accomplishment in the CalSTRS effort to continually improve services to CalSTRS customers.

A Different World

Fiji is comprised of about 300 islands in the South Pacific. First, Raleigh and Jean had a 10-week in-country training program studying Fiji's language, culture, history and educational system. They were assigned to Nadi College, a five-year high school of about 700 students. Jean first worked on organizing the school library then at a special education school teaching a variety of classes including vocational education for girls. Raleigh taught physics for grades 11, 12 and 13 and one grade 11 chemistry class.

Compared with the teaching methods in the U.S., the Fiji schools are oriented toward rigorous national examinations. Most teachers at Nadi College taught by writing notes on the chalkboard; occasionally teachers would read material aloud to be copied by the students in their notebooks, pausing to spell difficult words.

Due to cultural patterns, the students were reluctant to do homework. Raleigh's dry sense of humor is evident in describing his solution. According to Raleigh, "when I asked the department head how to encourage students to do work at home she told me I could beat them. This did not appeal to me. So I adjusted my teaching style to try to cover all the material in the classroom."

Raleigh used his imagination and ingenuity to create an effective learning environment. Without reliable textbooks for his students, he made vocabulary, problem and formula flash cards, in addition to games and puzzles.

Raleigh also discovered useful local items. He made a battery from a mango, used soy sauce in buoyancy experiments, produced interference patterns with silk scraps and did a molecule size experiment with cocoa powder.

Teaching Rewards

The hard work and resourcefulness Raleigh threw into his teaching paid off when his students took the mandatory national exams. His students had better scores and more passes than had been recorded at the school in many years.

More gratifying than the good test results were the connections Raleigh made with his pupils.

"Our most treasured memories of Fiji are of our students and the growth we saw in them during our time there. My wife and I found the stay in another culture fulfilling. In time we accepted the frustrations of the system in which we taught. We



RALEIGH ELLISEN HELPS ONE OF HIS HIGH SCHOOL STUDENTS WITH PHYSICS HOMEWORK ON HIS LIVING ROOM FLOOR, NADI, FIJI

focused on the children we met and on our students."

The personal rewards and experiences Raleigh and Jean had in Fiji will remain with them all their lives. Their Peace Corps volunteer service demonstrated the corps motto—"the toughest job you'll ever love."

For More Information

If you are interested in learning more about Peace Corps volunteer service, contact the Peace Corps at 800-424-8580 (select option 1 of the automated system) or online at www.peacecorps.gov.

(Based on "Teaching Physics with the Peace Corps in Fiji" by Raleigh Ellisen, in The Physics Teacher, Vol. 36, Oct. 1998)

Kaiser Members Will See Changes

RETIRED EDUCATORS WHO ARE SELF-PAY MEMBERS OF KAISER

PERMANENTE IN Northern California were recently notified of rate and copayment changes to their health coverage effective July 1, 2000.

Kaiser Permanente has already sent a letter to all affected CalSTRS retired members explaining the reasons behind the changes. Those reasons include a change in how Kaiser sets premiums and the rising medical costs in almost every sector of health care.

CalSTRS worked with Kaiser to find ways to help lessen the amount of monthly premium increase. Much thought and discussion went into deciding what changes in plan copayments could hold down premiums without creating an additional burden on the retired educators.

Statewide Kaiser Members Can Save Money

If you are eligible for Medicare Part A on a premium-free basis and have not purchased Part B, you can reduce your overall outlay for

medical insurance NEXT YEAR by enrolling in Medicare Part B and then join Kaiser's Senior Advantage Program.

Required Medicare Part A & B

Starting July 1, 2000, Kaiser Permanente statewide will not accept any NEW CalSTRS retired members who do not have Medicare Parts A and B and who do not choose to join Kaiser's Senior Advantage Program.

Kaiser members wanting more information can contact Kaiser Permanente at 1-800-443-0815.



P L E A S E C U T T H I S O U T



How to Report a Death to CalSTRS

CalSTRS needs to be notified as soon as possible upon the death of a member, option beneficiary or a person receiving CalSTRS benefits. Once CalSTRS is informed, a caseworker from the Survivor Benefits Section will contact a family member or representative and assist that person through each step of the process to determine any benefits, allowance or remaining contributions due the survivor.

CalSTRS will need the following information:

- the deceased person's name and Social Security number
- the date of death
- the individual's status just preceding death—retired member, member in active teaching status, disabled member, option beneficiary or other payee
- name, address and telephone number of the contact person

Timely Reporting Protects Estate

It is important to report promptly the death of a member or allowance recipient. If a delay occurs and an additional allowance payment(s) is made by CalSTRS, the overpayment must be repaid from the estate of the deceased person. This could cause an unnecessary financial hardship on a survivor.

To report a death, you can call CalSTRS at:

800-228-5453 Toll Free
916-229-3870
916-229-3541 TDD

Or write to CalSTRS at:

California State Teachers' Retirement System
P.O. Box 15275
Sacramento, CA 95851-0275

Please—Retain a copy of this article with your important papers or give a copy of this article to family or friends who may help handle your affairs



Home Loan Program Adds Zero-Down Feature

More Lenders On List

CalSTRS recently added a new zero-down payment feature to its Home Loan Program. Now you can purchase a new home and finance the entire amount of the purchase price through this program. Also, the list of participating lenders has grown longer. See the lender list below.

New Zero-Down Payment Plan

CalSTRS and the California Housing Loan Insurance Fund (the insurance arm of the California Housing Finance Agency) have joined forces to offer a special no-down payment mortgage loan program. The CalSTRS/CalHLIF Zero-Down Preferred Program makes purchasing a home more affordable with its second mortgage payment plan that may be deferred for the life of the loan.

The program combines the traditional 95 percent loan-to-value with the secondary financing provided by CalSTRS equal to 5 percent of the purchase price of the home. The interest rate on the second mortgage will be the same as the first mortgage.

The program has certain restrictions and initially will be offered through North American Mortgage Company and CUNA Mortgage Corp. For more details, you can call them at the telephone numbers below.

Both Defined Benefit Program members and Cash Balance Benefit Program participants can obtain loans through the CalSTRS Home Loan Program.

LENDER LIST

Bank of America	See your local branch
CalFED	1-800-CALFED-7 (225-3337)
California Coast Credit Union	1-858-495-1600
Countrywide Home Loans	1-800-877-LOAN (5626)
CUNA Mortgage Corp.	1-800-576-3577
First Mortgage Corp.	1-877-595-1998
Lancaster Mortgage Services, Inc.	1-800-404-0536
Marina Mortgage Co., Inc.	1-800-860-4065
Mission Federal Credit Union	1-858-546-2039
Orange County Teachers' Federal Credit Union	1-800-462-8328
North American Mortgage Company	1-800-700-6262
The Golden 1 Credit Union	1-800-732-2828
Wells Fargo Home Mortgage	1-909-680-3685

[More mortgage loan organizations are being added each month to the CalSTRS lender list. For an up-to-date list of participating lenders, check the CalSTRS Web site at www.calstrs.ca.gov/benefit/homeloan/homeloan.html.]



This was not at all an easy decision to make, but the new economy is providing wonderful opportunities right now. The timing is excellent for me to begin the next phase of my life and career.

Patrick Mitchell to Seek New Challenges

CHIEF INVESTMENT OFFICER PATRICK MITCHELL RESIGNED from CalSTRS effective July 15, 2000, to pursue other career opportunities. He had worked for CalSTRS for 12 years, the last three as chief investment officer. Under Patrick's direction, the investment portfolio grew from \$74.8 billion in June 30, 1997, to \$113.6 billion by March 31, 2000.

"Patrick's leadership and investment experience will be sorely missed," said Teachers' Retirement Board chair Emma Zink. "His energy and ideas have made CalSTRS a top-tier investment performer among its peers."

"When Patrick came on board, he set himself a number of goals and objectives to be met in four years and he's already achieved them in just three years," said Chief Executive Officer James D. Mosman. "His vision, drive and skill in leading his staff have made him a true asset."

In his resignation letter, Patrick mentioned the satisfaction and pleasure he's gained in working with the tireless CalSTRS' "talented and dedicated professionals and bright, honorable and dedicated board members."

The board is expected to name Patrick's successor in early September. The chief investment officer heads a staff of 46 and is responsible for developing and implementing strategies for overall asset allocation, public and private equity, fixed income and real estate investments.

On June 28, Patrick announced he will join Metropolitan West Financial, Inc., a diversified financial management company in Los Angeles, as a principal and managing director.

For retired members, CalSTRS hopes to allow you to obtain the current year's 1099R income tax forms as well as those for previous years. Further, retired members may be able to change:

- home addresses
- income tax withholding preferences
- direct deposit information

To speed processing of benefits as for survivors and disabled members through the Internet, CalSTRS will link with business partners such as employers, maintainers of vital statistics, examining doctors and vocational rehabilitation providers. With this linkage, CalSTRS can immediately receive and process reports from those sources, which are needed to process applications for benefits.

Those exciting plans will permit easy and immediate access to your CalSTRS account and will allow you to transact many types of business from where you want and when you want.

Paying for College Just Got Easier

New, Flexible Tax-Deferred Plan

CALIFORNIA'S RETIRED EDUCATORS CAN NOW SAVE and invest for their children's or grand-children's college—with tax-deferred benefits—through the new Golden State ScholarShare College Savings Trust, California's new college savings plan.

The Golden State ScholarShare Trust is an IRS Code Section 529 plan. Your funds are invested in low-cost, professionally managed stock, bond and money market mutual funds designed to outpace tuition inflation, and grow on both a federal and state tax-deferred basis until withdrawn, at which point they are taxed at the beneficiary's (lower) rate. The funds are highly flexible – they may be used at any accredited higher education institution in the U.S., including vocational and technical schools, and can be transferred to other family members. In addition to tuition, the funds can be used for room and board, books, fees and other qualified expenses. Unlike many other college savings vehicles, there are no income limits, and the program offers higher maximum contribution levels than the Education IRA. These "529" plans have been featured in Time, Newsweek,



Money, USA Today and many other publications as "the best way to save for college."

Since California launched ScholarShare only a few months ago, more than 7,000 individuals have opened accounts, and nearly \$40 million has been invested in the program. You can make contributions to ScholarShare by check, payroll deduction or automatic funds transfer.

"With minimum contributions as low as \$25, and extremely high maximum contribution limits, this is a great opportunity for families of all incomes to save for their children's and grandchildren's education," said State Treasurer

Philip Angelides, who also chairs the ScholarShare Investment Board.

All of the investments in ScholarShare are professionally managed by TIAA-CREF Tuition Financing, Inc., a wholly owned subsidiary of TIAA-CREF, the world's largest private pension fund manager, a non-profit company for more than 80 years.

Several Choices for Savings

Participants invest in a combination of stock, bond and money market mutual funds, with a more aggressive allocation for younger children, and a more conservative one for those nearing college age. The program will soon offer three additional investment options, including a 100 percent equity option comprised of domestic and international stock mutual funds; a social choice 100 percent equity option; and a guaranteed interest rate option.

For more information or an enrollment kit, call toll-free 1-877-728-4338, or access the informative Web site at www.scholarshare.com.

Longevity Study Looking for Participants

SOME LONG-RETIRED CALSTRS

MEMBERS can participate in an important new study on longevity. The study is easy to join and your participation can help provide a better understanding of diseases such as Alzheimer's and certain forms of cancer and heart disease.

The Harvard Medical School, Children's Hospital and Beth Israel Deaconess Medical Center have joined forces to conduct research on genes that enable some people to delay or escape diseases that so commonly afflict older people.

Study researchers need participants who are:

- age 100 and older who do *not* have living brothers or sisters age 90 or older,

Or

- age 98 and older and their living brothers or sisters who are at least 90 years old

To participate in the study, you would furnish information on your health and family history. You will also be asked to provide a small sample of blood so researchers can look for genes that may be important in understanding longevity. You

can participate at no cost to yourself, and the information you provide will be kept strictly confidential.

Contact Study Researchers Direct

If you, or someone you know, would enjoy taking part in the study and would like to discuss participation in more detail, call Louis Kunkel, Ph.D. or Stephanie Jo Brewster toll free at 877-890-4080 or 617-355-5312, Monday through Friday 6:00 a.m. to 2:00 p.m. California time. Or you can contact them by e-mail at sbrewster@rascal.med.harvard.edu.



USE DIRECT DEPOSIT—IT'S EASY!

Tired of the Two-Step?

Use Direct Deposit

Bet you thought the two-step was just something you learned in your country dance class. If you do not use CalSTRS Direct Deposit program, you are doing the two-step. You receive your allowance warrant in the mail each month and take it to the bank, a two-step operation.

The CalSTRS Direct Deposit service allows you to have your allowance automatically deposited in your bank or savings institution. On the first business day of each month, your allowance arrives electronically in your account, a Direct Deposit Advice confirming the deposit is mailed to your home address, and the two-step is a thing of the past.

To sign up for Direct Deposit, call CalSTRS automated telephone system. At the main telephone menu, select Teletalk and the form-ordering option to request a Direct Deposit Authorization form, MS 1130. If you have access to the Internet, you can download a form MS 1130 from the CalSTRS Web site, print it, fill it out and mail it to CalSTRS. See back page for the CalSTRS telephone numbers and Web address.

Then you can continue to do the two-step but only on the dance floor.



P.O. Box 15275
Sacramento, CA 95851-0275

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95814

HOW TO REACH US

Write CalSTRS at:

California State Teachers' Retirement System
P.O. Box 15275
Sacramento CA, 95851-0275

Call CalSTRS Public Service Office:

(800) 228-5453
(916) 229-3870
(916) 229-3541 for TDD

Browse CalSTRS Web site at:

www.calstrs.ca.gov

*When contacting CalSTRS, be sure to
include your Social Security number.*

Board Increases Lump-Sum Amounts

THE CALSTRS DEFINED BENEFIT PROGRAM provides a lump-sum payment to the designated beneficiary(ies) of members who die. The lump-sum amounts, which are taxable, were increased recently by the Teachers' Retirement Board.

Effective July 1, 2000, when a member dies before retirement, the lump-sum amount is \$5,763 under Coverage A and \$23,052 under Coverage B. If a member dies after retirement, the \$5,763 lump-sum death payment is the same under both Coverage A and Coverage B.

Your Coverage

If you are unsure whether you have Coverage A or Coverage B, contact CalSTRS and speak with a Public Service Office technician. The telephone numbers and address are located to the right.

CalSTRS Vision Statement

CalSTRS is committed to lifetime security and service that meets the changing needs of California's educators.

State of California

Gray Davis, Governor
Aileen Adams, State and Consumer Services
Secretary

Teachers' Retirement Board

Emma Zink, Chairperson
Lillian Raffel, Vice Chairperson
Yvonne Gallegos Bodle, Ph. D.
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James D. Mosman, Chief Executive Officer
Patrick Mitchell, Chief Investment Officer
Sherry Reser, Managing Editor
Susan Skeoch, Editor

Statements in this publication are general and the Teachers' Retirement Law is complex and specific. If a conflict arises between information contained in this publication and the law, any decisions will be based on the law and not on this publication.

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